

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7691

BILL NUMBER: SB 349

NOTE PREPARED: Apr 3, 2003

BILL AMENDED: Apr 3, 2003

SUBJECT: Senior Judges Pay.

FIRST AUTHOR: Sen. Bray

FIRST SPONSOR: Rep. Kuzman

BILL STATUS: CR Adopted - 2nd House

FUNDS AFFECTED: ☒ **GENERAL**
DEDICATED
FEDERAL

IMPACT: State

Summary of Legislation: (Amended) This bill has the following provisions:

(A) It provides that a senior judge receives a per diem of \$50 for each of the first 30 days of service in a calendar year and, for each day after the first 30 days, a \$100 per diem. It provides that the Supreme Court may adjust the compensation rate if there are insufficient funds in the payroll fund.

(B) It specifies that a judge appointed to the St. Joseph superior court after June 30, 2003, must be less than 70 years of age at the time of taking office. (The introduced version of this bill was prepared by the Commission on Courts.)

Effective Date: July 1, 2003.

Explanation of State Expenditures: *Summary:* Assuming that senior judges continue to work an average of 61 days per year, the added payments for senior judges would be an estimated \$100,750 if no adjustments are made in the per diem salaries.

The Supreme Court would have the discretion to reduce senior judge payments if the payroll fund is not sufficient to pay these added costs.

Background Information: These estimated costs are based on the following known facts concerning the average pension payments that senior judges received in FY 2001 and the salary of current trial court judges.

Known Facts:	
Number of trial court senior judges receiving benefits in CY 2001	65
Number of days of service in CY 2001	3,970
Expenditures @ \$50 per diem in CY 2001	\$198,500
Average number of days per senior judge in CY 2001	61
Number of retired members in FY 2001	256

The following table shows the method of estimating these added costs.

Method for Estimating the Added Cost of Increasing the Payments of Senior Judges					
	Current Law		Proposed		<u>Added Cost</u>
	<u>Per Diem</u>	<u>Per Senior Judge</u>	<u>Per Diem</u>	<u>Per Senior Judge</u>	
First 30 Days	\$50	\$1,500	\$50	\$1,500	\$0
Next 31 Days	\$50	<u>\$1,550</u>	\$100	<u>\$3,100</u>	<u>\$1,550</u>
Total Cost		\$3,050		\$4,600	\$1,550
Number of Senior Judges		<u>65</u>		<u>65</u>	
Total Cost For Proposal		<u>\$198,250</u>		<u>\$299,000</u>	<u>\$100,750</u>

Explanation of State Revenues: An estimated \$3,425 would be collected by the state in the form of Individual Adjusted Gross Income taxes on the additional per diem amounts resulting from this bill.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Office of State Court Administration.

Local Agencies Affected: Trial courts; St. Joseph Superior Court

Information Sources: Office of State Court Administration; Judges' Retirement Fund.

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